REMARKS

Examiner in an office action dated 8/22/2006 has required restriction to one of the claim groups as follows:

I.   Claim 1-29, 32-37, and 41-50 drawn to a payment system between a customer and merchant, classified in class 705, subclass 40.

Claims 1 and 21 have been amended. Claims 22 and 23 have been deleted as they have been combined with claim 21.

II.   Claims 30-31 drawn to a payment card for a payment transaction between a customer and a merchant, classified in class 705, subclass 41.

III.   Claim 38-40 drawn to a cash withdraw system between a customer and an ATM machine, classified in class 705, subclass 43.

In response, Applicant had elected the claim group I, as identified above for this application, and had withdrawn claim groups II and III from this application by canceling these claims from this application.

An Information Disclosure Statement is attached herein, that identifies art that has been cited in co-pending patent applications as in the cross-reference section of the present application that relates to private and secure payment transactions.

Examiner in the OA of 12/1/2006 has rejected claims 1-5, 12, 13, 14, 9-11, 15, 32-33, 41 to 44 and 48-50 as being anticipated by Treyez et al. Examiner has rejected claims 21-23 and 25-29 as being anticipated by Lawlor et al.

Further, Examiner has rejected claims 6-7, 8, 34, 36-37, 45-46 and 47 as obvious over Treyez in view of Lawlor, claims 24, 35 as being obvious over Lawlor in view of Treyez, and claims 16-20 as being obvious over Treyez in view of Foth.

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Applicant has amended independent claims 1, 21 32, and 41. Applicant has deleted dependent claims 22, 23, and 42 to 44.

Amended independent claim 1 and its dependent claims 2 to 20 are not anticipated by Treyez for the following reasons.

Treyez teaches method of shopping assistance in a retail establishment using a wireless device with a bar code reader or similar interface for creating shopping lists, and interfacing with the merchant systems by wireless to make purchases using such lists, and by paying for these purchases. Treyez teaches payment to merchant using wireless device, wherein the shopper first transfers his bankcard data to the wireless device by any number of methods (step 161), as described, and then interfaces the wireless device to the merchant system to transfer the bank card data (step 162) to effect a payment to complete the shopping process.

In contrast, the present invention is wholly different as an invention to accomplish the security of customer data, in that in claim 1 the customer does not transfer his/her bankcard data to merchant point of sale systems. Hence amended claim 1 is neither anticipated nor obvious over Treyez. Like wise dependent claims 2 to 20 are not anticipated or obvious.

Examiner has rejected claims 21-23 and 25-29 as being anticipated by Lawlor et al. Claim 21 has been amended and claims 22-23 have deleted by bringing their limitations in claim 21. Claims 21 and 24 to 29 are not anticipated by Lawlor for the following reasons.

Lawlor teaches a home banking terminal similar to an ATM, but with enhanced features that would enable a bank customer to perform banking transactions such as funds transfer, account review, and automated bill payment from home in lieu of writing and mailing checks etc. The terminal taught specifically for home banking has displays, keys as would be in an ATM for that application as well as telephone handset features for

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tone entry and dial out. The home-banking terminal is interfaced to the bank and or a third party service provider by a telephone line. Hence the home banking terminal works where ever it can be plugged in a dial up telephone line, such as at home or business as examples.

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The bill paying features of such a home banking terminal enables the customer to specify payee name, account number, payee address, and amount to be paid and to be able to store such data in a central system making it easy to make periodic payment of bills to the same payees. The terminal is assigned to a home and hence when its dials out

10   identifies the home by a terminal code in the terminal to the central system, and the central system requires the home user to enter a PIN to verify them, as would be in an ATM, where the terminal functions like an ATM card to identify and PIN is entered in the ATM to verify the user. The bill paying funds are paid to the payee by debiting it from the checking account of the home user.

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In contrast, amended claim 21 does not teach bill payment by a home banking terminal, but payments to merchants at merchant point of sale system by using a payment card that hides customer data from the merchant as the payment card of this invention has no customer data, it being stored in a central system, where the encrypted card number

20   and customer entered PIN is converted into customer bankcard data for submission to a prior payment processing network. Lawlor does not identically teach the features of claim 21 as amended. Hence, amended claim 21 is not anticipated by Lawlor. Likewise dependent claims 24 to 29 are also not anticipated.

25   Examiner in the OA of 12/1/2006 has rejected claims 32-33 as being anticipated by Treyez et al. Claim 32 has been amended to more particularly define what the applicant considers as the invention.

Amended claim 32 teaches a payment system where the card reader and the sales

30   terminal as part of merchant point of sale are separately on the global network, so that the bankcard data read by the card reader goes directly to the central system, bypassing the

merchant system, thus does not transfer customer bankcard data into merchant systems. These features of amended claim 32 are not taught by Treyez. Hence claim 32 is not anticipated by Treyez. Likewise dependent claims 34 to 37 are not anticipated or obvious over Treyez.

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Examiner in the OA of 12/1/2006 has rejected claims 41 to 44 and 48-50 as being anticipated by Treyez et al. Claim 41 has been amended and claims 42 to 44 have been deleted. Claim 41 more particularly define what the applicant considers as the invention. Amended claim teaches that for a payment from party A to party B using

10   the wireless device, the party B is identified to the central system by their telephone number without requiring the party B's bank account information available to party A for a payment transaction to party B. Amended claim 41 is not anticipated by Treyez. Like wise dependent claims are not anticipated by Treyez.

15   In view of these amendments, obvious rejections of claims 6-7, 8, 34, 36-37, 45-46 and 47 as obvious over Treyez in view of Lawlor, claims 24, 35 as being obvious over Lawlor in view of Treyez, and claims 16-20 as being obvious over Treyez in view of Foth are considered moot.

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CONCLUSION

In conclusion, Applicant respectfully asserts that claims 1 to 21, 24 to 29, 32 to 37, 41, 45 to 50 are patentable for the reasons set forth above, and that the application is now

5   in a condition for allowance. Accordingly, an early notice of allowance is respectfully requested. The Examiner is requested to call the undersigned at 310-540-4095 for any reason that would advance the instant application to issue.

Dated this the March 1, 2007

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Respectfully submitted,

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